

Arizona Department of Administration

Summary

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DESCRIPTION	FY 2003	FY 2004	FY 2005	
	ACTUAL	ESTIMATE	OSPB	JLBC
PROGRAM BUDGET				
Financial Services	12,576,600	12,619,900		12,509,100
Facilities Management	16,696,900	18,749,400		18,111,700
Human Resources	16,927,600	20,233,200		17,570,100
Information Technology Services	29,812,400	35,732,700		35,739,700
Support Services	14,233,800	23,008,800		21,306,500
Risk Management	77,555,500	95,567,800		93,436,500
AGENCY TOTAL	167,802,800	205,911,800		198,673,600

OPERATING BUDGET

<i>Full Time Equivalent Positions</i>	964.0	986.0		988.0
Personal Services	29,700,200	33,430,400		33,495,400
Employee Related Expenditures	7,244,400	8,991,100		9,010,300
Professional and Outside Services	4,245,600	8,889,000		7,389,000
Travel - In State	390,100	363,900		363,900
Travel - Out of State	26,100	69,500		69,500
Other Operating Expenditures	26,614,200	33,990,900		31,963,700
Equipment	12,680,600	17,543,500		15,581,200
OPERATING TOTAL	80,901,200	103,278,300		97,873,000
Special Line Items (SLI)	86,901,600	102,633,500		100,800,600
AGENCY TOTAL	167,802,800	205,911,800		198,673,600

FUND SOURCES

General Fund	23,118,400	23,735,500		23,624,700
<u>Other Appropriated Funds</u>				
Air Quality Fund	441,400	475,400		475,400
Capital Outlay Stabilization Fund	9,886,800	11,178,400		10,823,300
Certificates of Participation Fund	0	282,600		0
Corrections Fund	552,300	628,100		628,100
Federal Surplus Materials Revolving Fund	56,700	352,100		352,100
Motor Vehicle Pool Revolving Fund	7,073,800	13,376,100		11,673,800
Personnel Division Fund	13,123,800	15,040,700		13,877,000
Risk Management Fund	77,583,000	95,596,200		93,464,900
Special Employee Health Insurance Trust Fund	3,910,000	5,308,600		3,809,200
State Surplus Materials Revolving Fund	2,109,100	4,065,700		4,065,700
Technology and Telecommunications Fund	29,947,500	35,872,400		35,879,400
SUBTOTAL - Other Appropriated Funds	144,684,400	182,176,300		175,048,900
SUBTOTAL - Appropriated Funds	167,802,800	205,911,800		198,673,600
Other Non-Appropriated Funds	488,290,300	544,526,700		547,140,100
Federal Funds	198,900	173,000		173,000
TOTAL - ALL SOURCES	656,292,000	750,611,500		745,986,700

CHANGE IN FUNDING SUMMARY

FY 2004 to FY 2005 JLBC

	\$ Change	% Change
General Fund	(110,800)	(0.5%)
Other Appropriated Funds	(7,127,400)	(3.9%)
Total Appropriated Funds	(7,238,200)	(3.5%)
Non Appropriated Funds	2,613,400	0.5%
Total - All Sources	(4,624,800)	(0.6%)

AGENCY DESCRIPTION — The department provides centralized general support services to state agencies, including accounting, financial, personnel, building and grounds maintenance, purchasing, risk management, information technology, and Capitol Police services.

PERFORMANCE MEASURES	FY 2003 Appropriation	FY 2003 Actual	FY 2004 Appropriation	FY 2005 Recommend.
• % of ADOA services receiving a good (6) or better rating from customers, based on biennial ANNUAL survey (Scale 1-8)	85	50	85	70
• Customer satisfaction with ADOA's facilitation of the flow of information from the agency, the public, community organizations, & other governmental agencies (Scale 1-8)	6.3	5.6	6.3	6.3
• % of agency staff turnover	13.5	13.5	8.5	8.5
• Administration as a % of total cost	1.9	1.1	1.1	1.0

RECOMMENDED CHANGES FROM FY 2004

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Lease Costs	OF	27,600	JLBC RECOMMENDED FORMAT — Operating Lump Sum with Special Line Items by Fund
ENSCO	GF	(110,800)	
Capitol Mall Physical Security	OF	121,300	
Capital Center Vacant Space	OF	(282,600)	
Health Lab Cost Transfer	OF	(476,200)	
Personnel Division Adjustment for Available Revenues	OF	(1,175,300)	
Self-Insurance Study	OF	(1,500,000)	
Motor Pool Equipment and Maintenance	OF	(1,702,300)	
Workers' Compensation Losses and Related Expenditures	OF	(2,139,900)	

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
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Air Quality (ADA2226/A.R.S. § 49-551) **Appropriated**

Source of Revenue: Monies received from a \$1.50 fee assessed on motor vehicle registrations; gifts, grants and donations, and legislative appropriations.

Purpose of Fund: To fund a travel reduction program, as defined by A.R.S. § 49-588.

Funds Expended	441,400	475,400
Year-End Fund Balance	122,700	122,700

Administration - AFIS II Collections (ADA4203/A.R.S. § 35-142) **Non-Appropriated**

Source of Revenue: Monies received for the processing of transactions within the AFIS II accounting system.

Purpose of Fund: To fund the operation of the AFIS II accounting system.

Funds Expended	762,600	1,759,900
Year-End Fund Balance	200	200

Arizona Office for Americans with Disabilities Act (ADA2000/A.R.S. § 35-142) **Non-Appropriated**

Source of Revenue: Federal grants and private contributions. Revenues are dependent on the availability of Federal Funds through the Department of Economic Security.

Purpose of Fund: To assist the State of Arizona in the implementation and enforcement of the federal Americans with Disabilities Act (ADA). This includes providing resources and information to the private sector, serving as ADA coordinator for state agencies, and assisting other government entities.

Funds Expended	198,900	173,000
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Capital Outlay Stabilization (ADA1600/A.R.S. § 41-792.01)		Appropriated
Source of Revenue: Charges to agencies for occupancy of space within state-owned buildings and for tenant improvement projects.		
Purpose of Fund: To pay for maintenance, utilities, construction, and administration associated with the operation of state-owned buildings.		
Funds Expended - Operating	9,886,800	11,178,400
Funds Expended - Capital	3,757,700	3,500,000
Year-End Fund Balance	5,980,200	2,410,500
Certificate of Participation (ADA5005/A.R.S. § 41-791.02)		Partially-Appropriated
Source of Revenue: Charges to agencies for occupancy of space within buildings financed with lease-purchase agreements.		
Purpose of Fund: To pay for lease-purchase agreements.		
Appropriated Funds Expended	0	282,600
Non-Appropriated Funds Expended	14,671,100	21,405,100
Year-End Fund Balance	756,800	295,300
Construction Insurance (ADA4219/A.R.S. § 41-622)		Non-Appropriated
Source of Revenue: Charges to agencies for state construction projects. The rate is set by the department and reviewed by the Joint Committee on Capital Review.		
Purpose of Fund: To provide self-insurance and purchase “wrap-up” or “owner-controlled insurance programs” (OCIP’s) for state construction projects with a total cost over \$50,000,000. An OCIP is an insurance program provided by the owner of a project (the state) to protect its own interests and those of all participating contractors. Typically, it includes a series of insurance policies combined with loss prevention and quality assurance programs.		
Funds Expended	705,400	736,200
Year-End Fund Balance	1,174,100	4,333,500
Consumer Loss Recovery (ADA2469/A.R.S. § 41-622.02)		Non-Appropriated
Source of Revenue: Monies appropriated from the General Fund and transferred from the Budget Stabilization Fund established by A.R.S. § 35-144.		
Purpose of Fund: To pay for claims, adjusting costs, processing costs, legal defense costs, and administrative costs as provided by law.		
Non-Appropriated Funds Expended	381,700	1,120,100
Year-End Fund Balance	6,600	6,600
Co-Op State Purchasing Agreement (ADA4213/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Annual subscription fees collected from local governments for microfiche published by the State Purchasing Office and fees collected from individuals for copies of public records.		
Purpose of Fund: To provide microfiche of state purchasing information for local governments and to reproduce public records for local governments and the public.		
Funds Expended	149,500	224,400
Year-End Fund Balance	158,800	117,400
Corrections (DCA2088/A.R.S. § 41-1641)		Appropriated
Source of Revenue: Luxury taxes on alcohol and tobacco products.		
Purpose of Fund: To pay for construction of the Department of Corrections and Department of Juvenile Corrections facilities, including the associated administration and management costs of ADOA.		
Funds Expended - Operating	552,300	628,100
Funds Expended - Capital	0	0
Year-End Fund Balance	9,915,300	6,909,000

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Electronic Commerce (ADA2482/A.R.S. § 41-2673)		Non-Appropriated
Source of Revenue: Monies appropriated by the Legislature and any gifts, grants, or devices for the benefit of the fund, as well as 10% of the savings generated through the implementation of electronic commerce initiatives that were implemented using monies from the fund.		
Purpose of Fund: For electronic commerce initiatives by purchasing agencies.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Emergency Telecommunications Services Revolving (ADA2176/A.R.S. § 41-704)		Non-Appropriated
Source of Revenue: Receipts from the telecommunications services excise tax (up to 1.5% of gross sales) levied against monthly telephone bills and remitted by the telephone companies, as authorized by A.R.S. § 41-1472, and interest.		
Purpose of Fund: To implement and operate emergency telecommunication services (911) through political subdivisions of the state. The funds may be used for necessary equipment and services, consulting services (up to 3% of the revenue), and monthly recurring costs for capital, maintenance, and operations.		
Funds Expended	12,878,600	30,574,600
Year-End Fund Balance	23,727,100	16,910,500
Employee Related Expenditures/Benefits Administration (ITA3035/A.R.S. § 38-651.05)		Non-Appropriated
Source of Revenue: Charges to state agencies for employer contributions for life, accident, and dismemberment insurance and employee contributions for a "cafeteria" employee benefit plan. The cafeteria plan includes vision, short-term disability, long-term disability, and supplemental life insurance.		
Purpose of Fund: To pay claims for state employee benefit plans (other than health insurance).		
Funds Expended	28,063,300	28,063,300
Year-End Fund Balance	2,363,000	2,400,800
Federal Grants (ADA2000/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Receipts from federal grants.		
Purpose of Fund: To purchase bulletproof vests for the Capitol Police. All funds expended in FY 2002.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Federal Surplus Materials Revolving (ADA4215/A.R.S. § 41-2606)		Appropriated
Source of Revenue: Receipts from the sale of federal surplus property and interest.		
Purpose of Fund: To collect, store, and administer the sale of federal surplus property. Uncommitted monies in excess of \$50,000 at the close of the fiscal year shall be returned to eligible agencies in the following fiscal year through discounted service and handling charges.		
Funds Expended	56,700	352,100
Year-End Fund Balance *	52,200	(212,900)
Health Administration and Benefit Insurance Trust (ITA3161/A.R.S. § 38-652)		Non-Appropriated
Source of Revenue: Monies received from insurance carriers and interest. Currently, this applies only to Northern Arizona University's Blue Cross policy.		
Purpose of Fund: To provide benefits for employees participating in health and accident insurance or to offset employee contributions.		
Funds Expended	0	0
Year-End Fund Balance	0	0
IGA and ISA Fund (ADA2500/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies received through intergovernmental and interagency agreements.		
Purpose of Fund: To execute intergovernmental and interagency service agreements.		
Funds Expended	3,194,600	2,773,800
Year-End Fund Balance	1,377,900	1,337,900

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Lease Purchase Building Operating and Maintenance (ADA1025/A.R.S. § 41-792.01)		Appropriated
Source of Revenue: Charges to agencies for operations and maintenance costs associated with the occupancy of state Certificate of Participation (COP) buildings located away from the Capitol Mall.		
Purpose of Fund: To provide operations and maintenance service for state COP (lease-purchase) buildings.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Motor Vehicle Pool Revolving (ADA4204/A.R.S. § 41-804)		Appropriated
Source of Revenue: Charges to agencies for use of motor pool vehicles.		
Purpose of Fund: To operate the motor vehicle pool.		
Funds Expended	7,073,800	13,376,100
Year-End Fund Balance	8,063,700	5,277,600
Personnel Division (ADA1107/A.R.S. § 41-764)		Appropriated
Source of Revenue: A 1.04% (permanent law) charge on the total payroll of each agency within the ADOA personnel system.		
Purpose of Fund: To provide for operating costs within ADOA's Human Resources division.		
Funds Expended	13,123,800	15,040,700
Year-End Fund Balance *	550,600	(1,835,600)
Privatized Lease to Own (ADA5010/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Charges to agencies for occupancy of space in privatized lease to own (PLTO) buildings.		
Purpose of Fund: To make annual payments for privatized lease to own agreements.		
Funds Expended	5,792,800	9,529,900
Year-End Fund Balance	374,400	518,500
Public Buildings Land Earnings (ADA3127/A.R.S. § 37-525)		Appropriated
Source of Revenue: Monies received from interest on the Legislative, Executive, and Judicial Public Buildings Land Fund, as established through Arizona's Enabling Act, Section 25, and monies derived from the lease of these lands.		
Purpose of Fund: To provide a continuous source of monies for Legislative, Executive, or Judicial Buildings erected in the state. These monies are subject to legislative appropriation.		
Funds Expended - Capital	0	500,000
Year-End Fund Balance	1,261,100	1,261,000
Retiree Accumulated Sick Leave (YYA3200/A.R.S. § 38-616)		Non-Appropriated
Source of Revenue: A pro rata charge on the payroll of all state agencies. This charge, not to exceed 0.40% of the total benefit eligible payroll, is set by ADOA and subject to Joint Legislative Budget Committee review.		
Purpose of Fund: Payment of insurance premiums or cash payouts to eligible retiring state employees. Payments are made on a percentage basis (25%, 33%, or 50%) of hourly salary for 500 to 1,500 hours of accumulated sick leave upon retirement. Payments to an individual shall not exceed \$30,000.		
Funds Expended	9,368,300	9,330,600
Year-End Fund Balance	2,741,500	3,874,900
Risk Management Revolving (ADA4216/A.R.S. § 41-622)		Appropriated
Source of Revenue: Charges assessed on agencies insured under the state's risk management system, as well as all monies recovered by the state pursuant to litigation and other means. Funds are used to pay for damages relating to liability, property, and workers' compensation losses.		
Purpose of Fund: For the purchase of risk management services including insurance, loss prevention services, payment of self-insured losses, and administrative costs.		
Funds Expended	77,583,000	95,596,200
Year-End Fund Balance	18,393,400	10,796,100

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Special Employee Health Insurance Trust (ITA3015/A.R.S. § 38-654)	Partially-Appropriated	
Source of Revenue: Employer and employee medical and dental insurance contributions.		
Purpose of Fund: To administer state employee benefit plans, pay claims for state employee health insurance plans, and operate the Wellness and Communications programs. Administrative expenditures from this fund are subject to legislative appropriation.		
Appropriated Funds Expended	3,910,000	5,308,600
Non-Appropriated Funds Expended	408,638,200	435,813,000
Year-End Fund Balance	32,018,200	22,410,400
Special Services Revolving (ADA4208/A.R.S. § 35-193)	Partially-Appropriated	
Source of Revenue: Charges or payments from agencies using various centralized services operated by ADOA. In addition, administrative funds for operation of the State Boards' Office flow through this fund. The State Boards' Office is under the Arizona Department of Administration, but is funded by transfers of appropriated monies from the participating boards. Expenditures from this fund for the State Boards' Office are subject to legislative appropriation.		
Purpose of Fund: To enable ADOA to provide office supplies, printing, office services, and other administrative management services for state agencies. Expenditures by the State Boards' Office are for centralized services and pooled resources of 11 small regulatory boards. Examples of shared items include office space and equipment, as well as accounting, clerical, administrative, and telephone services.		
Appropriated Funds Expended	0	0
Non-Appropriated Funds Expended	3,136,600	2,581,700
Year-End Fund Balance	312,100	335,000
State Employee Suggestion Program Awards (ADA3190/A.R.S. § 38-613)	Non-Appropriated	
Source of Revenue: Legislative appropriations.		
Purpose of Fund: Awards to state employees of up to \$1,000 for a special act in the public interest or for an adopted idea resulting in state savings or improved operations. Up to \$50 per award may be used to purchase recognition materials and up to 6% of monies appropriated to the fund may be used in administering the state suggestion program.		
Funds Expended	0	0
Year-End Fund Balance	69,100	59,100
State Employee Travel Reduction (ADA2261/A.R.S. § 41-101.03)	Non-Appropriated	
Source of Revenue: Legislative appropriations, grants, gifts, federal funds, and fees.		
Purpose of Fund: To establish, operate, and administer a ride-sharing program for the transportation of state employees between home and work.		
Funds Expended	535,500	594,900
Year-End Fund Balance	298,400	232,700
State Surplus Materials Revolving (ADA4214/A.R.S. § 41-2606)	Appropriated	
Source of Revenue: Receipts from the sale of state surplus property. A portion of the revenue is retained to cover operating costs; the balance is returned to donor agencies.		
Purpose of Fund: To collect, store, and administer the sale of surplus property.		
Funds Expended	2,109,100	4,065,700
Year-End Fund Balance *	299,500	(1,391,200)
State Traffic and Parking Control (ADA2453/A.R.S. § 41-796)	Non-Appropriated	
Source of Revenue: Penalties and fees collected pursuant to A.R.S. § 41-796 for traffic and parking violations on state property.		
Purpose of Fund: To post signs, markings, and notices for the regulation of vehicles on state property, and to maintain state parking lots and structures.		
Funds Expended	2,800	14,200
Year-End Fund Balance	34,500	40,300

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Statewide Donations (ADA2025/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies donated by individuals.		
Purpose of Fund: Employee recognition efforts as allowed by law.		
Funds Expended	9,300	5,000
Year-End Fund Balance	2,000	2,000
Technology and Telecommunications (ADA4201/A.R.S. § 41-713)		Appropriated
Source of Revenue: Charges to agencies and other political entities for information technology products and services. The fund also has separate non-appropriated accounts for statewide licensing agreements designated by the Government Information Technology Agency and for Hawaii AHCCCS.		
Purpose of Fund: Paying costs incurred in operating the telecommunications voice, data, video, and graphics systems.		
Funds Expended	29,947,500	35,872,400
Year-End Fund Balance	8,634,400	2,185,200

* As reported by the agency. Actual ending balance will not be negative.

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